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TOWN OF JONESVILLE, LOUISIANA  
GENERAL PURPOSE FINANCIAL STATEMENTS  
YEARS ENDED  
JUNE 30, 1962 AND 1961  
WITH  
INDEPENDENT AUDITOR'S REPORT

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date: 12/15/62

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**INDEPENDENT AUDITOR'S REPORT**

Mayer and Members of the Town Council  
Town of Jannetville, Louisiana

We have audited the general purpose financial statements of the Town of Jannetville, Louisiana, as of and for the year ended June 30, 2003, as listed in the Table of Contents. These general purpose financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Town of Jannetville, Louisiana, as of June 30, 2003, the results of its operations of such funds, and the cash flows of its proprietary fund type for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated October 24, 2003, on our consideration of Town of Jannetville, Louisiana's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining, individual fund, and account group financial statements and schedules, as listed in the Table of Contents, are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Town of Jannetville, Louisiana. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U. S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the general purpose financial statements of the Town of Jannetville, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements, and in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

The financial information of the previous year, which is included for comparative purposes, was taken from the financial report for that year in which we expressed an unqualified opinion.

*Signed on Behalf of* Sevinson's Company, LLP

Natchez, Mississippi  
October 24, 2008

**GENERAL PURPOSE FINANCIAL STATEMENTS  
(COMBINED STATEMENTS - OVERVIEW)**

TOWN OF JONESVILLE, LOUISIANA  
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
JUNE 30, 2002

	Governmental Fund Types			Proprietary Fund Types		Amounts Due to		Totals	
	General	Special Revenue	Debt Service	Capital Projects	Enterprise	General Fund	Long Term Debt	2002	2001
<b>ASSETS</b>									
Cash	\$ 297,292	\$	\$	\$	\$	\$ 65,958	\$	\$ 363,250	\$ 42,289
Temporary investments at cost	75,000					145,800		220,800	194,800
Receivables (net where applicable, of allowances for uncollectibles)									
Grant fees	20,174							20,174	20,160
Charges for services						545,950		545,950	533,320
Other receivables	11,242							11,242	8,805
Due from other governments	31,083			16,310				47,393	15,037
Borrowed amounts									
Cash						55,200		55,200	70,310
Temporary investments at cost						81,200		81,200	99,000
Plant and equipment, net						1,085,850		1,085,850	1,035,155
Amounts to be provided for retirement of general long-term debt									
<b>Total assets</b>	<b>\$ 435,101</b>	<b>\$</b>	<b>\$</b>	<b>\$ 16,310</b>	<b>\$ 1,617,800</b>	<b>\$ 1,208,018</b>	<b>\$ 5,351</b>	<b>\$ 2,668,612</b>	<b>\$ 2,681,456</b>

**TOWN OF JONESVILLE, LOUISIANA**  
**COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS**  
**JUNE 30, 2002**

	Governmental Fund Type			Proprietary Fund Type			Account Groups			Totals (Memo Only) June 30, 2002	
	General	Special	Revenue	Debt	Capital	Fixed Assets	Fixed Assets	General Fund	Long Term Debt		
<b>LIABILITIES AND FUND EQUITY</b>											
<b>LIABILITIES</b>											
Bank overdrafts	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$ 148,840	
Accounts payable	17,424				16,948	137,475				161,847	
Accrued liabilities	9,386					18,813				27,489	
Payable from restricted assets:											
Consumer deposits						148,136				148,136	
Other liabilities	2,406									2,406	
Deferred portion of bond proceeds								3,468		3,468	
Series payable								2,503		2,503	
Total liabilities	\$ 29,216	\$	\$	\$	\$ 16,948	\$ 156,288	\$	\$ 5,971	\$	\$ 173,423	
<b>FUND EQUITY</b>											
Unexpended capital	\$	\$	\$	\$	\$	\$ 1,463,335	\$	\$	\$	\$1,463,335	
Treatment in general fund assets	\$	\$	\$	\$	\$		\$2,531,870	\$	\$	\$2,531,870	
Retained earnings:											
Unreserved	\$	\$	\$	\$	\$	353,843	\$	\$	\$	\$ 658,569	
Fund balances:											
Reserved										338	
Unreserved	270,873									270,873	
Total retained earnings	\$ 270,873	\$	\$	\$	\$	353,843	\$	\$	\$	\$ 658,569	
Total fund equity	\$ 270,873	\$	\$	\$	\$	1,463,335	\$2,531,871	\$	\$	\$4,183,813	
Total liabilities and fund equity	\$ 299,189	\$	\$	\$	\$ 16,948	\$ 1,511,083	\$4,183,871	\$	\$ 5,971	\$4,202,489	

The accompanying notes are an integral part of this financial statement.



**TOWN OF JONESVILLE, LOUISIANA**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**ALL GOVERNMENTAL FUND TYPES**  
**YEAR ENDED JUNE 30, 2003**

	General	Special Revenue	Debt Service	Capital Projects	Totals	
					(Mone Only)	Year Ended June 30, 2003
<b>REVENUES</b>						
Taxes	\$ 70,655	\$	\$	\$	\$ 70,655	\$ 71,619
License and permits	108,348				108,348	89,028
Intergovernmental revenue	185,249	101,193	89,789	222,228	481,207	188,731
Fees and forfeits	65,188				65,188	51,249
Charges for services	175,282				175,282	88,000
Other revenue	20,841				20,841	28,222
<b>Total revenues</b>	<b>\$ 440,274</b>	<b>\$ 101,193</b>	<b>\$ 89,789</b>	<b>\$ 222,228</b>	<b>\$ 1,043,201</b>	<b>\$ 516,000</b>
<b>EXPENDITURES</b>						
(Current)						
General government:	\$ 402,645	\$	\$	\$	\$ 402,645	\$ 410,581
Public safety:						
Police	180,527				180,527	459,311
Fire	88,889				88,889	41,800
Highways and streets	440,383				440,383	184,244
Sanitation	70,888				70,888	88,822
Airport	227				227	351
Recreation	5,338				5,338	10,442
Industrial	6,159				6,159	-
Relocation and rehabilitation		103,449			103,449	2,146
Debt service:						
Principal retirement			89,772		89,772	20,808
Interest			8,717		8,717	6,900
Capital outlay				222,228	222,228	-
<b>Total expenditures</b>	<b>\$ 1,377,884</b>	<b>\$ 103,449</b>	<b>\$ 98,489</b>	<b>\$ 222,228</b>	<b>\$ 1,802,050</b>	<b>\$ 1,343,029</b>
<b>Balance of revenues (expenditures)</b>	<b>\$ 69,790</b>	<b>\$ 18,740</b>	<b>\$ 11,300</b>	<b>\$</b>	<b>\$ 100,030</b>	<b>\$ 628,971</b>

Continued

TOWN OF JONESVILLE, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

ALL-GOVERNMENTAL FUND TYPES

YEAR ENDED JUNE 30, 2021

	General	Special Revenues	Debt Service	Capital Expenditures	Totals (Money Only)	
					Year Ended June 30, 2021	2020
<b>OTHER FINANCING SOURCES (USES)</b>						
Operating transfers - in	\$ 811,091	\$ -	\$ 11,604	\$ -	\$ 822,695	\$ 792,438
Operating transfers - out	(311,884)	-	-	-	(311,884)	(287,182)
Total other financing sources (uses)	\$ 499,207	\$ -	\$ 11,604	\$ -	\$ 510,811	\$ 505,256
Excess of revenues and other sources less expenditures and other uses)	\$ 181,303	\$ (594)	\$ -	\$ -	\$ 180,709	\$ (59,488)
Fund balances - beginning	187,611	826	-	-	188,437	188,437
Fund balances - ending	\$ 368,914	\$ -	\$ -	\$ -	\$ 368,914	\$ 128,949

The accompanying notes are an integral part of this financial statement.

TOWN OF JONESVILLE, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET (GAAP BASIS) AND ACTUAL

GENERAL, SPECIAL REVENUE, AND DEBT SERVICE FUND TYPES

YEAR ENDED JUNE 30, 2002

	General Fund		Special Revenue Fund		Debt Service Fund	
	Budget	Actual	Budget	Actual	Budget	Actual
<b>REVENUES</b>						
Taxes						
Licenses and permits	\$ 70,000	\$ 70,000	\$ 0	\$ 0	\$ 0	\$ 0
Intergovernmental revenue	82,000	100,100	20,100			
Rental revenue	154,000	150,000	10,000			
Grants revenue	7,000	10,000	0			
Exchange collections fees	100,000	120,000	0			
Other revenues	80,000	20,000	(0)			
<b>Total revenues</b>	<b>\$ 563,000</b>	<b>\$ 420,100</b>	<b>\$ 30,100</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>EXPENDITURES</b>						
General government						
Public safety	\$ 200,000	\$ 430,000	\$ 0	\$ 0	\$ 0	\$ 0
Police	157,100	300,000	120,000			
Fire	21,000	20,000	0			
Employees and streets	110,000	105,000	100,000			
Sanitation	80,000	70,000	0			
Airport	10	10	0			
Recycling	10,000	0	0			
Industrial						
Recreation and						
recreation						
Debt Service:						
Principal retirement						
Interest						
<b>Total</b>	<b>\$ 1,000,000</b>	<b>\$ 1,000,000</b>	<b>\$ 1,000,000</b>	<b>\$ 1,000,000</b>	<b>\$ 1,000,000</b>	<b>\$ 1,000,000</b>
<b>Excess of revenues</b>						
<b>(or expenditures)</b>						

continued.

TOWN OF JOSEPHVILLE, LOUISIANA  
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET (GAAP BASIS) AND ACTUAL  
GENERAL AND DEBT SERVICE FUND TYPES  
YEAR ENDED JUNE 30, 2000

	Original Fund		Special Revenue Fund		Debt Service Fund	
	Budget	Actual	Budget	Actual	Budget	Actual
OTHER FINANCING						
RESOURCES (100%)						
Operating resources - in						
Operating resources - net	\$ 200,000	\$ 111,600	\$ 176,500	\$ -	\$ 5,400	\$ 11,800
Total other	(5,400)	111,600	(5,400)			
Operating resources						
decreased	\$ 205,400	\$ 223,200	\$ 181,900	\$ -	\$ 5,400	\$ 11,800
Excess of revenues						
and other resources						
Expenditures						
and other used	\$ 200,000	\$ 240,200	\$ (237,000)	\$ -	\$ (500)	\$ -
Fund balances -						
beginning	\$ 107,612	\$ 107,612		\$ 500		
Fund balances - ending	\$ 68,612	\$ 178,012	\$ (237,000)	\$ -	\$ 1,900	\$ 11,800

The accompanying notes are an integral part of this financial statement.

**TOWN OF JONESVILLE, LOUISIANA**  
**COMPARATIVE STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN RETAINED EARNINGS**  
**PROPRIETARY FUND TYPE**  
**YEARS ENDED JUNE 30, 2002 AND 2001**

	<u>Enterprise</u>	
	<u>2002</u>	<u>2001</u>
<b>OPERATING REVENUES</b>		
Charges for services:		
Electricity sales	\$ 2,390,713	\$ 2,404,813
Water sales	180,218	190,394
Natural gas sales	609,644	609,321
Power charges	113,989	110,872
Interest income	10,719	10,744
Other operating revenues	88,443	82,722
Total operating revenues	<u>\$ 3,313,523</u>	<u>\$ 3,508,466</u>
<b>OPERATING EXPENSES</b>		
Electricity department	\$ 1,473,917	\$ 1,339,541
Water department	187,760	183,968
Natural gas department	519,990	530,488
Power department	168,652	169,878
Total operating expenses	<u>\$ 2,310,319</u>	<u>\$ 2,023,875</u>
Operating income	\$ 993,204	\$ 484,591
<b>OPERATING TRANSFERS</b>		
Transfers to General Fund	<u>511,631</u>	<u>766,531</u>
Net income (loss)	\$ 182,226	\$ (211,910)
Retained earnings - beginning	<u>177,018</u>	<u>288,228</u>
Retained earnings - ending	<u>\$ 359,244</u>	<u>\$ 177,018</u>

The accompanying notes are an integral part of this financial statement.

**TOWN OF JONESVILLE, LOUISIANA**  
**COMPARATIVE STATEMENT OF CASH FLOWS**  
**INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS**  
**PROPRIETARY FUND TYPE**  
**YEARS ENDED JUNE 30, 1992 AND 1991**

	<u>Exercises</u>	
	<u>1992</u>	<u>1991</u>
<b>Cash flows from operating activities:</b>		
Cash received from customers	\$ 3,298,512	\$ 3,628,847
Cash payments to suppliers for goods and services	(2,194,888)	(2,688,863)
Cash payments to employees for services	688,910	687,921
Other operating revenues	16,719	16,788
Net cash provided by operating activities	<u>\$ 587,853</u>	<u>\$ 781,893</u>
<b>Cash flows from non-capital financing activities:</b>		
Operating transfers to other funds	\$ (811,891)	\$ (788,531)
Net cash used for non-capital financing activities	<u>\$ (811,891)</u>	<u>\$ (788,531)</u>
<b>Cash flows from capital and related financing activities:</b>		
Principal payments on notes payable	\$ -	\$ (18,000)
Purchases of fixed assets and equipment	-	(23,871)
Net cash used for capital and related financing activities	<u>\$ -</u>	<u>\$ (41,871)</u>
Net increase (decrease) in cash and cash equivalents	\$ 78,962	\$ (148,408)
Cash and cash equivalents - beginning of year	388,156	388,268
Cash and cash equivalents - end of year	<u>\$ 467,118</u>	<u>\$ 239,860</u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>		
Operating income	\$ 587,853	\$ 587,318
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	\$ 98,864	\$ 100,000
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	(7,882)	6,427
Increase (decrease) in:		
Bank overdrafts	(148,648)	148,648
Accounts payable	(82,283)	(80,008)
Accrued liabilities	65,688	5,118
Customer deposits	4,882	(8,818)
Total adjustments	<u>\$ (195,118)</u>	<u>\$ 298,712</u>
Net cash provided by operating activities	<u>\$ 587,853</u>	<u>\$ 781,829</u>
<b>Supplemental Disclosures of Cash Flow Information:</b>		
Gas system improvements contributed	\$ 222,825	\$ -

The accompanying notes are an integral part of this financial statement.

**TOWN OF JONESVILLE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2002**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Town of Jonesville, Louisiana was incorporated December 18, 1933, under the provisions of the Louisiana Act. The Town operates under the Mayor/Town Council form of government and provides the following services as authorized by the Act: public safety (police and fire), streets, sanitation, recreation, public improvements, planning and zoning, provision for gas, electric, and water utilities, sewer services, airport facilities and general services.

The accounting and reporting policies of the Town of Jonesville, Louisiana conform to generally accepted accounting principles as applicable to governments.

The following is a summary of certain significant accounting policies:

**A. Financial Reporting Entity**

This report includes all funds and account groups which are controlled by or dependent on the Town executive and legislative branches (Mayor and Town Council). The scope of the governmental entity included in this report was determined by applying the criteria established by Statement Number 34 of the Governmental Accounting Standards Board, "The Financial Reporting Entity". The application of these criteria revealed no additional governmental reporting entities, which would be properly includable in this report.

**B. Fund Accounting**

The accounting system of the Town is organized and operated on a fund basis whereby a separate self-balancing set of accounts is maintained for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The various funds are grouped in the financial statements of this report into four generic fund types and two broad fund categories as follows:

**Governmental Funds**

**General Fund** - The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

**Special Revenue Funds** - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

**Debt Service Fund** - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

**Capital Projects Funds** - Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities and improvements (other than those financed by proprietary funds and trust funds).

**TOWN OF JONESVILLE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2009**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**B. Fund Accounting (continued)**

Proprietary Funds

*Enterprise Funds* - Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

**C. Basis of Accounting**

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements.

The governmental type fund is accounted for using the modified accrual basis of accounting. These revenues are recognized when they become measurable and available as per current assets.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule concern principal and interest on general long-term debt which is recognized when due.

Those revenues susceptible to accrual are property taxes, sales taxes, franchise taxes, fines, interest revenue and charges for services. Licenses, permits and miscellaneous revenues are not susceptible to accrual because, generally, they are not measurable until received in cash.

All proprietary funds are accounted for using the accrual basis of accounting. Their revenues are recognized when earned, and their expenses are recognized when incurred. An estimated amount has been recorded for services rendered but not yet billed as of the close of the year involved. The receivable was arrived at by taking the cycle billing the Town sent the customers in July and prorating the amount of days applicable to the current year.



**TOWN OF JONESVILLE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2002**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):**

**D. Fixed Assets and Long-Term Liabilities**

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus.

All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets.

Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems, are not capitalized along with other general fixed assets. General fixed assets are not depreciated.

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in governmental funds.

All proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities (whether current or non-current) associated with their activity are included on their balance sheets. Their reported fund equity (net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total assets.

Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Buildings	20 years
Machinery and equipment	10-20 years
Distribution system - electricity	20 years
Distribution system - water	50 years
Distribution system - gas	50 years
Distribution system - sewer	50 years
Water tanks and wells	15-50 years
Meters	15 years

**TOWN OF JONESVILLE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2002**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. Fixed Assets and Long-Term Liabilities (continued)**

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated.

**E. Budgets and Budgetary Accounting**

The Town follows the following procedures established by Louisiana Revised Statute in preparation of the budgetary data reflected in these financial statements.

- 1) The Town Clerk prepares a proposed budget and submits same to the Mayor and Town Council no later than fifteen days prior to the beginning of each fiscal year.
- 2) A summary of the proposed budget is published and the public notified that the proposed budget is available for public inspection. At the same time, a public hearing is called.
- 3) A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
- 4) After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
- 5) Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated require the approval of the Town Council.
- 6) All budgetary appropriations lapse at the end of each fiscal year.
- 7) Budgets for the General, Special Revenue and Debt Service Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budget amounts are as originally adopted, or as amended from time to time by the Town Council.

**F. Cash and Investments**

Investments are stated at cost and consist of demand deposit accounts, savings accounts, and certificates of deposit. For purposes of the statement of cash flows, the Enterprise Funds consider all highly liquid investments (including restricted assets) with a maturity of six months or less when purchased to be cash equivalents. The following is a summary of cash and cash equivalents for the proprietary fund type:

**TOWN OF JONESVILLE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2002**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**F. Cash and Investments (continued)**

	<u>2002</u>	<u>2001</u>
Cash	\$ 65,888	\$ 1,421
Temporary investments	148,888	148,888
Restricted cash	78,338	78,344
Restricted temporary investments	<u>91,352</u>	<u>88,888</u>
Cash and cash equivalents at June 30	\$ <u>384,366</u>	\$ <u>319,139</u>

The carrying amount of the Town's cash and temporary investments with financial institutions was \$814,582, and the bank balance was \$770,951 at June 30, 2002. There was \$844 in cash on hand at June 30, 2002. At June 30, 2002, the Town's banks had pledged \$828,626 in securities against the Town's deposits. The bank balance is categorized as follows:

Amount insured by FDIC	\$ 388,000
Amount collateralized with securities held by an independent financial institution's trust department in the Town's name	\$78,844
Uncollateralized	<u>          </u>
Required collateral - 100% of bank balance - exclusive of FDIC insurance plus FDIC insurance	\$ <u>328,951</u>

Investments made by the Town that are included on the balance sheet are summarized below. The investments that are represented by specific identifiable investment securities are classified as to credit risk by the categories described below:

Category 1 - Insured or registered in the name of the Town and held by the Town.

Category 2 - Uninsured but registered in the name of the Town and held by the Town.

Category 3 - Uninsured and not registered in the name of the Town or held by the Town.

Security Type	Category			Carrying Amount	Market Value
	1	2	3		
Non-interest bearing accounts	\$ 399,509	\$	\$	\$ 399,509	\$ 399,509
Interest-bearing time certificates of deposit	233,888			233,888	304,955
Savings accounts	<u>61,185</u>			<u>61,188</u>	<u>61,188</u>
	\$ <u>614,582</u>	<u>\$</u>	<u>\$</u>	\$ <u>614,582</u>	\$ <u>614,582</u>

**G. Inventories**

For both governmental and proprietary funds, purchases of various operating supplies are regarded as expenditures or expenses at the time purchased, and inventories of such supplies (if any) are not recorded as assets at the date of the fiscal year. For the years ending June 30, 2002 and June 30, 2001, these amounts were considered to be immaterial.

**TOWN OF JONESVILLE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2002**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**B. Bad Debts**

Uncollectible amounts due for customers' utility receivables are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the receivable.

**I. Comparative Data**

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of the Town's cash flows and operations. However, comparative (i.e., presentation of prior year totals by fund type) data has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

**J. Total Columns on Combined Statements - Overview**

Total columns on combined statements - overview are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in accordance with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

**NOTE 2 - AD VALOREM TAXES**

The Town annually levies ad valorem taxes in accordance with state statute for the fiscal year ended June 30. Tax bills are prepared and delivered in October with payment due from the date of receipt to the last day of February. Because of the due dates noted previously, ad valorem taxes are not considered to be available resources of the fiscal year to which they apply and are, therefore, not accrued as of the end of the fiscal year.

The Town bills and collects its own property taxes using the assessed values determined by the Tax Assessor of Catahoula Parish.

For the year ended June 30, 2002, taxes of 8.71 mills were levied on property with assessed values of \$9,011,820 and were dedicated as follows:

General corporate purposes	8.71
Total taxes levied were	\$98,789

**NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES**

There were no interfund receivables or payables at June 30, 2002 or June 30, 2001.

**TOWN OF JONESTVILLE, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2002**

**NOTE 4 - DUE FROM OTHER GOVERNMENTS**

Amounts due from other governmental units consisted of the following:

	<u>2002</u>	<u>2001</u>
<b>GENERAL FUND:</b>		
State of Louisiana:		
Beer tax	\$ 2,370	\$ 1,851
Highway maintenance	3,829	3,829
Holiday Enforcement Grant	544	544
Catahoula Parish:		
Fire insurance rebate	7,294	6,647
Parish revenue sharing	4,924	3,888
Sanitation sales tax	11,987	8,097
Other	954	850
<b>CAPITAL PROJECTS FUND:</b>		
State of Louisiana:		
LCDBG Funds	<u>28,348</u>	<u>-</u>
Total	\$ <u>47,748</u>	\$ <u>25,087</u>

**NOTE 5 - RESTRICTED ASSETS**

Restricted assets as of June 30 were applicable to the following:

	<u>2002</u>	<u>2001</u>
Proprietary fund types		
Customers' deposits	\$ <u>285,442</u>	\$ <u>281,328</u>
Total restricted assets	\$ <u>285,442</u>	\$ <u>281,328</u>

**NOTE 6 - FIXED ASSETS**

The following is a summary of general fixed assets:

	<u>Balance 6/30/01</u>	<u>Additions</u>	<u>Dispositions</u>	<u>Balance 6/30/02</u>
Land and buildings	\$ 1,450,898	\$ -	\$ -	\$ 1,450,898
Machinery and equipment	<u>605,428</u>	<u>11,688</u>	<u>-</u>	<u>617,116</u>
Total	\$ <u>2,056,326</u>	\$ <u>11,688</u>	\$ <u>-</u>	\$ <u>2,068,014</u>

The general fixed assets above include \$91,159 of machinery and equipment, which have been valued at estimated historical cost. The estimated historical cost was based on the best available information.

**TOWN OF JONESVILLE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2002**

**NOTE 6 - FIXED ASSETS (continued)**

The following is a summary of changes in proprietary fund type property, plant, and equipment for fiscal year ended June 30, 2002:

	Balance 6/30/01	Additions	Dispositions	Balance 6/30/02
Electric system	\$ 1,282,522	\$	\$	\$ 1,282,522
Gas system	543,701	222,500		564,240
Water system	1,428,867			1,428,867
Sewer system	1,833,864			1,833,864
Buildings	11,679			11,679
Land	21,812			21,812
Miscellaneous equipment	122,622			122,622
Total	\$ 4,783,265	\$ 222,500	\$ -	\$ 5,011,765
Less accumulated depreciation	(3,321,332)	(24,564)		(3,345,896)
Net	\$ 1,461,933	\$ 197,936	\$ _____	\$ 1,659,869

**NOTE 7 - CHANGES IN LONG-TERM DEBT**

The following is a summary of debt transactions for the Town for the fiscal year ended June 30, 2002:

	General Obligation Long-Term Certificate of Indebtedness		Note Payable	Totals
Balance - 6/30/01	\$	88,796	\$ 11,991	\$ 94,726
Principal retired		88,796	1,977	88,712
Balance - 6/30/02	\$ _____	\$ 1,994	\$ _____	\$ 1,994

Long-term debt as of June 30, 2002, is comprised of the following:

Note to Catahoula-LeFalls to purchase new computer system and software in amount of \$50,000, dated February 24, 1999, payable in monthly installments of \$787.44, commencing on March 30, 1999, and ending on February 28, 2002, with an interest rate of 7.75% per annum.

	\$ _____	\$ 1,994
Total	\$ _____	\$ 1,994

**TOWN OF JONESVILLE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2002**

**NOTE 7 - CHANGES IN LONG-TERM DEBT (continued)**

The annual requirements to amortize all outstanding debt as of June 30, 2002, including interest payments of \$413, are as follows:

<u>Fiscal Year Ending</u> <u>June 30</u>	<u>General</u> <u>Obligation</u> <u>Notes</u> <u>Payable</u>	<u>Total</u>
2002	\$ 0.387	\$ 0.387
Total	\$ 0.387	\$ 0.387

Retirement of general obligation debt is to be made by annual transfers of General Fund revenue in the amounts necessary to retire principal and interest currently due.

**NOTE 8 - CONTRIBUTED CAPITAL**

Changes to contributed capital during fiscal year ended June 30, 2002, consisted of:

Balance, June 30, 2001	\$ 1,819,887
Additions:	
Federal contributions for gas system improvements	222,328
Balance, June 30, 2002	\$ 1,842,215

**NOTE 9 - SEGMENT INFORMATION FOR ENTERPRISE FUND**

The Enterprise Fund operated by the Town provides electric, gas, water, and sewer utility services. The following is a summary of disclosures required by the National Council on Governmental Accounting in Interpretation 2 Segment Information for Enterprise Funds.

	<u>June 30, 2002</u>				
	<u>Electric</u> <u>Utility</u>	<u>Water</u> <u>Utility</u>	<u>Gas</u> <u>Utility</u>	<u>Sewer</u> <u>Service</u>	<u>Total</u>
Operating revenue	\$ 1,334,715	\$ 189,218	\$ 509,888	\$ 113,999	\$ 2,147,820
Purchase of utility	(1,287,742)		(418,817)		(1,706,559)
Operating expenses	(183,977)	(133,387)	(98,990)	(137,388)	(534,742)
Depreciation	(22,595)	(14,458)	(8,867)	(31,445)	(77,365)
Other operating revenue	37,382	4,488	14,329	3,298	59,497
Operating income (loss)	\$ 518,283	\$ 35,811	\$ 38,213	\$ (51,824)	\$ 640,483
Operating transfers out					(611,821)
Net income					\$ 28,662

**TOWN OF JONESVILLE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2002**

**NOTE 10 - ACCRUED VACATION PAY**

The liability for compensated absences has not been accrued because the amount is considered to be immaterial.

**NOTE 11 - PENSION PLAN**

All full-time police and fire department employees are required to participate in their respective retirement systems. The Town currently has no full-time fire department employees. All employees of the Town participate in the Social Security System. Pertinent information relative to the Police Retirement System is as follows:

**Municipal Police Employees Retirement System of Louisiana (System)**

**Plan Description.** All full-time police department employees engaged in law enforcement are required to participate in the System. Employees who retire at or after age 50 with at least 20 years of creditable service or at or after 55 with at least 22 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3.33% of their final-average salary for each year of creditable service. Final-average salary is the employee's average salary over the 36 consecutive or joint months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the age specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Police Employees Retirement System of Louisiana, 8420 United Plaza Boulevard, Baton Rouge, Louisiana 70809-2250, or by calling (504) 925-7411.

**Funding Policy.** Plan members are required by state statute to contribute 7.5% of their annual covered salary, and the Town of Jonesville, Louisiana is required to contribute at an actuarially determined rate. The current rate is 9.8% of annual covered payroll. The contribution requirements of plan members and the Town of Jonesville, Louisiana are established and may be amended by state statute. As provided by E.S. 11:103, the employee contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Town of Jonesville, Louisiana contributions to the System for the years ending June 30, 2000, 2001 and 2002 were \$6,803, \$9,853, and \$6,678, respectively, equal to the required contributions for each year.



**TOWN OF JONESVILLE, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2002**

**NOTE 18 - COMPENSATION OF GOVERNING BOARD**

The Governing Board of the Town of Jonesville, Louisiana consists of a Mayor and five Council Members. For the fiscal year ended June 30, 2002, the following compensations were paid:

	<u>Salary</u>	<u>Health Insurance</u>	<u>Auto Reimbursements</u>	<u>Totals</u>
W. F. "Reddy" Edwards, Mayor	\$ 18,825	\$ 18,118	\$ 8,890	\$ 45,833
Gary Odum, Alderman	4,100	18,118		22,218
Stephen E. Maphett, Alderman	4,200	18,118		22,318
Terry Rasm, Alderman	4,800	18,118		22,918
Josie Bullins, Alderwoman	4,100	3,753		7,853
Laria Hallins, Alderwoman	4,100	18,118		22,218
<b>Total</b>	<b>\$ 40,225</b>	<b>\$ 54,332</b>	<b>\$ 8,890</b>	<b>\$ 103,447</b>

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**FINANCIAL STATEMENTS OF  
INDIVIDUAL FUNDS AND ACCOUNT GROUPS**

**GENERAL FUND**

To account for resources traditionally associated with governments, which are not required to be accounted for in another fund.

**TOWN OF JONESVILLE, LOUISIANA**  
**GENERAL FUND**  
**COMPARATIVE BALANCE SHEET**  
**JUNE 30, 2002 AND 2001**

	<u>2002</u>	<u>2001</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash	\$ 157,211	\$ 46,622
Temporary investments (at cost)	70,848	51,330
Receivables (net of allowance for uncollectibles):		
Court fees	26,114	26,166
Franchise tax	3,878	3,716
Other	7,872	8,909
Due from other governments	21,221	25,027
<b>Total current assets</b>	<b>\$ 286,834</b>	<b>\$ 143,341</b>
<b>Total assets</b>	<b>\$ 286,834</b>	<b>\$ 143,341</b>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>LIABILITIES:</b>		
Accounts payable	\$ 17,438	\$ 14,127
Accrued liabilities	8,990	28,788
Other liabilities	2,492	683
<b>Total liabilities</b>	<b>\$ 28,920</b>	<b>\$ 43,603</b>
<b>FUND BALANCE:</b>		
Unreserved	\$ 257,914	\$ 102,672
<b>Total fund balance</b>	<b>\$ 257,914</b>	<b>\$ 102,672</b>
<b>Total liabilities and fund balance</b>	<b>\$ 286,834</b>	<b>\$ 143,341</b>

The accompanying notes are an integral part of this financial statement.

TOWN OF JONESVILLE, LOUISIANA  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
YEAR ENDED JUNE 30, 2002  
WITH COMPARATIVE AMOUNTS FOR YEAR ENDED JUNE 30, 2001

	<u>2002</u>	<u>2001</u>
<b>REVENUES</b>		
<b>Taxes</b>		
Ad valorem, including penalties and interest	\$ 69,743	\$ 68,094
Franchise	6,822	7,822
Total taxes	\$ 76,565	\$ 75,916
<b>Licenses and permits</b>		
Occupational licenses	\$ 107,599	\$ 98,684
Other permits	202	244
Total licenses and permits	\$ 108,101	\$ 98,928
<b>Intergovernmental revenue</b>		
Real taxes	\$ 7,290	\$ 6,883
Sanitation sales taxes	128,742	118,143
State fire insurance premiums	7,293	6,843
Hard surface road tax	34,224	48,424
Law enforcement and fire grants	6,831	1,624
Total intergovernmental revenue	\$ 184,380	\$ 182,917
<b>Fines and forfeits</b>	\$ 34,108	\$ 55,248
<b>Charges for services</b>		
Garbage collection fees	\$ 173,292	\$ 80,488
<b>Miscellaneous</b>		
Building costs	\$ 34,848	\$ 9,688
Interest earned	2,514	4,966
Other	27,882	12,882
Total miscellaneous	\$ 65,244	\$ 27,536
<b>Total revenues</b>	\$ 644,374	\$ 513,893

-continued-

**TOWN OF JONESVILLE, LOUISIANA  
GENERAL FUND**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
YEAR ENDED JUNE 30, 2002  
WITH COMPARATIVE AMOUNTS FOR YEAR ENDED JUNE 30, 2001**

	<u>2002</u>	<u>2001</u>
<b>EXPENDITURES</b>		
Current:		
General government:	\$ 432,647	\$ 410,281
Public safety:		
Police	355,527	409,511
Fire	25,889	41,265
Highways and streets	345,563	354,544
Sanitation	75,865	55,525
Airport	157	281
Recreation	5,334	15,443
Industrial	<u>5,152</u>	<u>-</u>
<b>Total expenditures</b>	<b>\$ 1,317,985</b>	<b>\$ 1,331,560</b>
<b>Excess of revenues (expenditures)</b>	<b>\$ (328,794)</b>	<b>\$ (799,822)</b>
<b>OTHER FINANCING SOURCES (USES)</b>		
Operating transfers from Utility Fund	811,691	764,581
Operating transfers to Debt Service Fund	<u>(11,894)</u>	<u>(37,192)</u>
<b>Excess of revenue and other sources (expenditures and other uses)</b>	<b>\$ 163,805</b>	<b>\$ (59,410)</b>
<b>Fund balance - beginning</b>	<b><u>187,672</u></b>	<b><u>188,081</u></b>
<b>Fund balance - ending</b>	<b>\$ <u>371,672</u></b>	<b>\$ <u>167,672</u></b>

The accompanying notes are an integral part of this financial statement.

TOWN OF JONESVILLE, LOUISIANA  
GENERAL FUND  
STATEMENT OF EXPENDITURES  
YEAR ENDED JUNE 30, 2002  
WITH COMPARATIVE AMOUNTS FOR YEAR ENDED JUNE 30, 2001

	<u>2002</u>	<u>2001</u>
<b>GENERAL GOVERNMENT:</b>		
Salaries	\$ 188,914	\$ 183,830
Payroll taxes	18,582	17,914
Employee benefits and insurance	117,311	99,827
Office supplies	4,987	4,789
Computer expense	2,197	1,418
Audit and accounting	16,384	9,319
Legal and consultant fees	44,709	24,498
Repairs and maintenance	7,449	8,567
General insurance	10,843	4,186
Miscellaneous	94,897	40,888
Utilities and telephone	19,881	20,851
Travel and meetings	7,881	7,459
<b>Total general government</b>	<u>\$ 639,847</u>	<u>\$ 510,581</u>
<b>PUBLIC SAFETY - POLICE:</b>		
Salaries	\$ 279,484	\$ 270,840
Payroll taxes	29,592	28,743
Police retirement	6,883	5,668
Employee benefits and insurance	48,048	47,848
Uniform allowance	3,578	6,838
Office and other supplies	4,968	3,888
Prisoners' housing and supplies	19,106	4,143
Insurance	12,486	7,574
Gas and oil	7,381	18,437
Utilities and telephone	8,208	8,881
Repairs and maintenance	13,689	18,144
Miscellaneous	8,893	6,947
Travel and meetings	0	400
<b>Total public safety - police</b>	<u>\$ 388,637</u>	<u>\$ 488,911</u>
<b>PUBLIC SAFETY - FIRE:</b>		
Salaries	\$ 2,276	\$ 6,860
Utilities and telephone	3,964	881
Insurance	-	7,574
Supplies	3,489	16,970
Repairs and maintenance	15,552	8,518
Miscellaneous	489	450
Travel and meetings	378	51
<b>Total public safety - fire</b>	<u>\$ 25,148</u>	<u>\$ 41,283</u>

-continued-

**TOWN OF JONESVILLE, LOUISIANA**  
**GENERAL FUND**  
**STATEMENT OF EXPENDITURES**  
**YEAR ENDED JUNE 30, 2002**  
**WITH COMPARATIVE AMOUNTS FOR YEAR ENDED JUNE 30, 2001**

	<u>2002</u>	<u>2001</u>
<b>HIGHWAYS AND STREETS:</b>		
Salaries	\$ 200,994	\$ 244,327
Payroll taxes	18,901	19,534
Employee benefits and insurance	26,174	24,878
Insurance	5,800	7,574
Gas and oil	9,754	13,785
Supplies	14,420	13,883
Repairs and maintenance	14,853	22,285
Utilities and telephone	3,916	2,581
Miscellaneous	2,300	1,143
Capital outlay	5,800	-
<b>Total highways and streets</b>	<b>\$ 343,152</b>	<b>\$ 384,285</b>
<b>SANITATION:</b>		
Salaries	\$ 24,071	\$ 14,187
Payroll taxes	2,371	808
Employee benefits and insurance	23,897	11,072
Insurance	5,392	7,574
Gas and oil	4,143	3,909
Supplies	5,533	4,254
Repairs and maintenance	7,424	11,272
Utilities and telephone	1,213	-
Miscellaneous	1,042	2,000
<b>Total sanitation</b>	<b>\$ 78,006</b>	<b>\$ 53,923</b>
<b>AIRPORT:</b>		
Repairs and maintenance	\$ 127	\$ 261
<b>Total airport</b>	<b>\$ 127</b>	<b>\$ 261</b>
<b>RECREATION:</b>		
Supplies	\$ -	\$ 430
Repairs and maintenance	5,364	4,015
Utilities and telephone	12	6,971
<b>Total recreation</b>	<b>\$ 5,376</b>	<b>\$ 11,416</b>
<b>INDUSTRIAL:</b>		
Repairs and maintenance	\$ 607	\$ -
Utilities and telephone	4,542	-
<b>Total industrial</b>	<b>\$ 5,149</b>	<b>\$ -</b>
<b>Total expenditures</b>	<b>\$ 1,237,528</b>	<b>\$ 1,112,845</b>

The accompanying notes are an integral part of this financial statement.



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**SPECIAL REVENUE FUNDS**

**LCDBG Housing Rehabilitation Fund** - To account for housing rehabilitation financed by a Federal Grant. Total grant amount is \$478,500.

TOWN OF JONESVILLE, LOUISIANA  
SPECIAL REVENUE FUND  
LODCG HOUSING REHABILITATION FUND  
COMPARATIVE BALANCE SHEET  
JUNE 30, 2002 AND 2001

	<u>2002</u>	<u>2001</u>
<b>ASSETS</b>		
Cash	\$ _____	\$ _____ 555
<b>Total assets</b>	<b>\$ _____</b>	<b>\$ _____ 555</b>
 <b><u>LIABILITIES AND FUND BALANCE</u></b>		
<b>LIABILITIES</b>	\$ _____	\$ _____
Fund balance		
Reserved	\$ _____	\$ _____ 555
<b>Total fund balance</b>	<b>\$ _____</b>	<b>\$ _____ 555</b>
<b>Total liabilities and fund balance</b>	<b>\$ _____</b>	<b>\$ _____ 555</b>

The accompanying notes are an integral part of these financial statements.

TOWN OF JONESTVILLE, LOUISIANA  
SPECIAL REVENUE FUND  
LCDBG HOUSING REHABILITATION FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
YEAR ENDED JUNE 30, 2002  
WITH COMPARATIVE TOTALS FOR YEAR ENDED JUNE 30, 2001

	<u>2002</u>	<u>2001</u>
<b>REVENUES</b>		
Intergovernmental - LCDBG	\$ <u>104,333</u>	\$ <u>3,890</u>
<b>Total revenues</b>	<b>\$ <u>104,333</u></b>	<b>\$ <u>3,890</u></b>
<b>EXPENDITURES</b>		
Administration	\$    36,125	\$           -
Education	49,443	-
Rehabilitation loans and grants	<u>28,881</u>	<u>2,114</u>
<b>Total expenditures</b>	<b>\$ <u>114,449</u></b>	<b>\$ <u>2,114</u></b>
<b>Excess of revenues (expenditures)</b>	<b>\$       (9,116)</b>	<b>      1,776</b>
<b>Fund balance, beginning</b>	<u>      550</u>	<u>          </u>
<b>Fund balance, ending</b>	<b>\$ <u>          -</u></b>	<b>\$ <u>      426</u></b>

The accompanying notes are an integral part of these financial statements.

**DEBT SERVICE FUNDS**

*General Obligation Debt* - To accumulate monies for the payment of the General Obligation Debt. Financing is to be provided from General Fund revenues.

**TOWN OF JONESVILLE, LOUISIANA**  
**DEBT SERVICE FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**YEAR ENDED JUNE 30, 2002**  
**WITH COMPARATIVE AMOUNTS FOR YEAR ENDED JUNE 30, 2001**

	<u>2002</u>	<u>2001</u>
<b>REVENUES</b>		
Intergovernmental - State of Louisiana	\$ 60,783	\$ _____
<b>Total revenues</b>	<b>\$ 60,783</b>	<b>\$ _____</b>
<b>EXPENDITURES</b>		
Debt Service		
Principal retirements	\$ 88,778	\$ 80,888
Interest and fiscal fees	6,717	6,880
<b>Total expenditures</b>	<b>\$ 95,495</b>	<b>\$ 87,768</b>
<b>Excess of expenditures</b>	<b>\$ (34,712)</b>	<b>\$ (7,980)</b>
<b>OTHER FINANCING SOURCES</b>		
Operating transfers from General Fund	11,826	11,108
<b>Excess of revenues and other sources (expenditures)</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Fund balance - beginning</b>	<b>_____</b>	<b>_____</b>
<b>Fund balance - ending</b>	<b>\$ _____</b>	<b>\$ _____</b>

The accompanying notes are an integral part of this financial statement.

**CAPITAL PROJECTS FUND**

*Fiscal Year 2000 LCYRG SN Program - To account for the construction of gas system improvements financed by a Federal Grant.*

TOWN OF JONESVILLE, LOUISIANA  
CAPITAL PROJECTS FUND  
FISCAL YEAR 2000 LEGAL DE PROGRAM  
COMPARATIVE BALANCE SHEET  
JUNE 30, 2002 AND 2001

	<u>2002</u>	<u>2001</u>
<b>ASSETS</b>		
Due from other governments	\$ <u>16,348</u>	\$ <u>          </u>
<b>Total assets</b>	<b>\$ <u>16,348</u></b>	<b>\$ <u>          </u></b>
<b>LIABILITIES AND FUND BALANCE</b>		
<b>LIABILITIES</b>		
Accounts payable	\$ <u>16,348</u>	\$ <u>          </u>
<b>Total liabilities</b>	<b>\$ <u>16,348</u></b>	<b>\$ <u>          </u></b>
<b>FUND BALANCE</b>		
Unreserved	\$ <u>          </u>	\$ <u>          </u>
<b>Total fund balance</b>	<b>\$ <u>          </u></b>	<b>\$ <u>          </u></b>
<b>Total liabilities and fund balance</b>	<b>\$ <u>16,348</u></b>	<b>\$ <u>          </u></b>

The accompanying notes are an integral part of this financial statement.

**TOWN OF JONESVILLE, LOUISIANA**  
**CAPITAL PROJECTS**  
**FISCAL YEAR 2000 LCDBG DN PROGRAM FUND**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**YEAR ENDED JUNE 30, 2000**  
**WITH COMPARATIVE AMOUNTS FOR YEAR ENDED JUNE 30, 1999**

	<u>2000</u>	<u>1999</u>
<b>REVENUES</b>		
Intergovernmental - LCDBG DN	\$ <u>222,319</u>	\$ _____
<b>Total revenues</b>	\$ <u>222,319</u>	\$ _____
<b>EXPENDITURES</b>		
Capital outlay - Bus System improvements	\$ <u>222,319</u>	\$ _____
<b>Total expenditures</b>	\$ <u>222,319</u>	\$ _____
<b>Excess of revenues (expenditures)</b>	\$ _____	\$ _____
<b>Fund balance - beginning</b>	_____	_____
<b>Fund balance - ending</b>	\$ _____	\$ _____

The accompanying notes are an integral part of this financial statement.



## ENTERPRISE FUND

*Municipal Utilities Fund - To account for the provision of electric, natural gas, water and sewer services to residents of the Town and some residents of the Parish. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administrative, operations and maintenance, financing and related debt service, and billings and collections.*

**TOWN OF JONESVILLE, LOUISIANA**  
**ENTERPRISE FUND**  
**MUNICIPAL UTILITIES SYSTEM**  
**COMPARATIVE BALANCE SHEET**  
**JUNE 30, 2002 AND 2001**

	<u>2002</u>	<u>2001</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 60,558	\$ 1,821
Temporary investments at cost	145,885	145,885
Accounts receivable, net of allowance for uncollectible accounts (\$64,528 in 2002 and \$60,561 in 2001)	<u>508,888</u>	<u>521,328</u>
Total current assets	\$ 715,229	\$ 670,245
Restricted assets - consumer deposits		
Cash	\$ 70,229	\$ 70,244
Temporary investments at cost	<u>91,283</u>	<u>90,895</u>
Total restricted assets	\$ 161,512	\$ 161,239
Plant and equipment, at cost, net of accumulated depreciation (\$3,315,666 in 2002 and \$3,221,512 in 2001)	<u>1,688,850</u>	<u>1,367,870</u>
Total assets	\$ 2,645,592	\$ 2,483,352
<b>LIABILITIES AND FUND EQUITY</b>		
<b>LIABILITIES</b>		
Current liabilities (payable from current assets)		
Bank overdrafts	\$ -	\$ 148,610
Accounts payable	281,878	288,756
Accrued liabilities	<u>18,018</u>	<u>24,622</u>
Total current liabilities (payable from current assets)	\$ 279,896	\$ 472,018
Current liabilities (payable from restricted assets)		
Consumer deposits	\$ 148,128	\$ 133,828
Total current liabilities (payable from restricted assets)	\$ 148,128	\$ 133,828
Total liabilities	\$ 428,024	\$ 605,846
<b>FUND EQUITY</b>		
Contributed capital	\$ 1,843,220	\$ 1,838,887
Retained earnings - unreserved	<u>388,348</u>	<u>177,018</u>
Total fund equity	\$ 2,231,568	\$ 2,015,905
Total liabilities and fund equity	\$ 2,659,592	\$ 2,483,352

The accompanying notes are an integral part of this financial statement.

TOWN OF JONESVILLE, LOUISIANA  
 ENTERPRISE FUND  
 MUNICIPAL UTILITIES SYSTEM  
 COMPARATIVE STATEMENT OF OPERATING REVENUES AND EXPENSES  
 ALL DEPARTMENTS  
 YEARS ENDED JUNE 30, 1991 AND 1990

	<u>1991</u>	<u>1990</u>
<b><u>OPERATING REVENUES</u></b>		
Charges for services	\$ 3,333,387	\$ 3,378,900
Other operating revenues	<u>78,378</u>	<u>83,489</u>
Total operating revenues	\$ <u>3,412,765</u>	\$ <u>3,462,389</u>
<b><u>OPERATING EXPENSES</u></b>		
Personal services	\$ 221,487	\$ 233,649
Purchase of utilities provided	1,656,559	1,793,925
Materials and supplies	88,188	97,189
Repairs and maintenance	37,825	88,988
Depreciation	94,864	100,581
Utilities and telephone	76,388	86,489
Bad debts	17,844	68,333
Other operating expenses	<u>99,362</u>	<u>70,482</u>
Total operating expenses	\$ <u>3,312,858</u>	\$ <u>3,599,636</u>
Operating income	\$ <u>99,907</u>	\$ <u>86,753</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF JONESVILLE, LOUISIANA  
 ENTERPRISE FUND  
 MUNICIPAL UTILITIES SYSTEM  
 COMPARATIVE STATEMENT OF OPERATING REVENUES AND EXPENSES  
 ELECTRIC DEPARTMENT  
 YEARS ENDED JUNE 30, 2002 AND 2001

	<u>2002</u>	<u>2001</u>
<b><u>OPERATING REVENUES</u></b>		
Charges for services		
Electricity sales and fees	\$ 2,346,713	\$ 2,404,513
Other operating revenues	<u>57,362</u>	<u>48,699</u>
Total operating revenues	\$ <u>2,404,075</u>	\$ <u>2,453,212</u>
<b><u>OPERATING EXPENSES</u></b>		
Personnel services	\$ 56,964	\$ 100,177
Purchase of electricity	1,267,742	1,710,090
Materials and supplies	25,389	41,374
Repairs and maintenance	15,846	17,750
Depreciation	22,900	24,100
Utilities and telephone	10,928	5,978
Bad debts	12,281	10,188
Other operating expenses	<u>61,382</u>	<u>18,952</u>
Total operating expenses	\$ <u>1,673,532</u>	\$ <u>1,939,669</u>
Operating income	\$ <u>730,543</u>	\$ <u>513,543</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF JONESVILLE, LOUISIANA  
 ENTERPRISE FUND  
 MUNICIPAL UTILITIES SYSTEM  
 COMPARATIVE STATEMENT OF OPERATING REVENUES AND EXPENSES  
 WATER DEPARTMENT  
 YEARS ENDED JUNE 30, 2002 AND 2001

	<u>2002</u>	<u>2001</u>
<b><u>OPERATING REVENUES</u></b>		
Charges for services:		
Water sales and fees	\$ 183,218	\$ 180,886
Other operating revenues	<u>6,485</u>	<u>5,781</u>
Total operating revenues	\$ <u>189,703</u>	\$ <u>186,667</u>
<b><u>OPERATING EXPENSES</u></b>		
Personnel services	\$ 56,534	\$ 51,215
Materials and supplies	28,203	23,211
Repairs and maintenance	7,965	14,959
Depreciation	54,453	55,197
Utilities and telephone	40,519	37,544
Bad debts	987	6,751
Other operating expenses	<u>13,252</u>	<u>13,882</u>
Total operating expenses	\$ <u>191,703</u>	\$ <u>193,659</u>
Operating income	\$ <u>-1,999</u>	\$ <u>-6,992</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF JONESVILLE, LOUISIANA  
 ENTERPRISE FUND  
 MUNICIPAL UTILITIES SYSTEM  
 COMPARATIVE STATEMENT OF OPERATING REVENUES AND EXPENSES  
 NATURAL GAS DEPARTMENT  
 YEARS ENDED JUNE 30, 2002 AND 2001

	<u>2002</u>	<u>2001</u>
<b>OPERATING REVENUES</b>		
Charges for services:		
Natural gas sales and fees	\$ 599,484	\$ 546,523
Other operating revenues	<u>14,728</u>	<u>28,628</u>
<b>Total operating revenues</b>	<b>\$ <u>614,212</u></b>	<b>\$ <u>575,151</u></b>
<b>OPERATING EXPENSES</b>		
Personnel services	\$ 30,459	\$ 30,459
Purchases of natural gas	410,817	353,849
Materials and supplies	14,486	9,982
Repairs and maintenance	6,889	25,459
Depreciation	6,887	7,431
Utilities and telephone	4,899	6,787
Bad debts	3,288	14,341
Other operating expenses	<u>29,470</u>	<u>25,139</u>
<b>Total operating expenses</b>	<b>\$ <u>516,395</u></b>	<b>\$ <u>433,458</u></b>
<b>Operating income</b>	<b>\$ <u>97,816</u></b>	<b>\$ <u>141,693</u></b>

The accompanying notes are an integral part of this financial statement.

TOWN OF JONESVILLE, LOUISIANA  
ENTERPRISE FUND  
MUNICIPAL UTILITIES SYSTEM

COMPARATIVE STATEMENT OF OPERATING REVENUES AND EXPENSES  
SEWER DEPARTMENT  
YEARS ENDED JUNE 30, 2002 AND 2001

	<u>2002</u>	<u>2001</u>
<b>OPERATING REVENUES</b>		
Charges for services:		
Sewer charges and fees	\$ 113,888	\$ 110,872
Other operating revenues	<u>2,788</u>	<u>2,271</u>
<b>Total operating revenues</b>	<b>\$ <u>116,676</u></b>	<b>\$ <u>113,143</u></b>
<b>OPERATING EXPENSES</b>		
Personnel services	\$ 72,448	\$ 69,889
Materials and supplies	21,802	22,843
Repairs and maintenance	5,834	10,679
Depreciation	21,446	22,821
Utilities and telephone	19,868	17,599
Bad debts	888	9,958
Other operating expenses	<u>18,278</u>	<u>11,828</u>
<b>Total operating expenses</b>	<b>\$ <u>169,854</u></b>	<b>\$ <u>165,877</u></b>
<b>Operating loss</b>	<b>\$ <u>(53,178)</u></b>	<b>\$ <u>(52,734)</u></b>

The accompanying notes are an integral part of this financial statement.

**GENERAL FIXED ASSET ACCOUNT GROUP**

To account for all fixed assets of the Town, except those accounted for in the Utility Fund and elements of the Town's infrastructure, which are not required to be capitalized under generally accepted accounting principles.





**TOWN OF JONESVILLE, LOUISIANA**  
**SCHEDULE OF GENERAL FIXED ASSETS - BY FUNCTION AND ACTIVITY**  
**JUNE 30, 2002**

<u>Function and Activity</u>	<u>Total</u>	<u>Land and Buildings</u>	<u>Machinery and Equipment</u>
<b>General government:</b>			
Financial administration	\$ 247,910	\$ 200,549	\$ 47,361
<b>Public safety:</b>			
Police protection	251,536	24,889	194,647
Fire protection	188,721	17,981	143,740
Streets	87,791	8,297	79,494
Sanitation	138,490	8,297	131,193
Industrial development	1,012,918	1,012,918	
Airport	82,252	82,252	
Recreation	118,590	118,590	980
Activity center	<u>38,670</u>	<u>38,130</u>	<u>1,540</u>
<b>Totals</b>	<b><u>\$ 3,288,978</u></b>	<b><u>\$ 1,888,890</u></b>	<b><u>\$ 1,018,188</u></b>

The accompanying notes are an integral part of this financial statement.

**TOWN OF JONESVILLE, LOUISIANA**  
**SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS**  
**BY FUNCTION AND ACTIVITY**  
**YEAR ENDED JUNE 30, 2003**

	General Fixed Assets 7/1/01	Additions	Dispositions	General Fixed Assets 6/30/03
<b>General government:</b>				
Financial administration	\$ 167,910	\$	\$	\$ 167,910
<b>Public safety:</b>				
Police protection	258,246	1,290		251,536
Fire protection	189,121	693		189,721
Streets	57,381	5,900		67,781
Sanitation	139,499			139,499
Industrial development	1,012,015			1,012,015
Airport	62,252			62,252
Recreation	130,990			130,990
Activity center	28,672			28,672
<b>Totals</b>	<u>\$ 2,133,280</u>	<u>\$ 18,083</u>	<u>\$</u>	<u>\$ 2,169,970</u>

The accompanying notes are an integral part of this financial statement.

**GENERAL LONG-TERM DEBT ACCOUNT GROUP**

To account for unmatured principal amounts on general long-term debt expected to be financed from General Fund revenues. Payment of maturing obligations, including interest, is accounted for in the Debt Service Fund.

**TOWN OF JONESVILLE, LOUISIANA**  
**STATEMENT OF GENERAL LONG-TERM DEBT**  
**JUNE 30, 2002**  
**WITH COMPARATIVE TOTALS FOR JUNE 30, 2001**

	Certificates of Indebtedness Series 1987	Notes Payable	Totals	
			2002	2001
<b>Amount available and to be provided for the retirement of general long-term debt:</b>				
<b>Amount necessary to be provided from:</b>				
General Fund Revenues	\$ _____ -	\$ 1,954	\$ 1,954	\$ 94,785
<b>Total available and to be provided</b>	\$ _____ -	\$ 1,954	\$ 1,954	\$ 94,785
<b>General long-term debt:</b>				
Installment payable: Certificates of Indebtedness	\$ _____	\$ _____	\$ _____	\$ 80,785
Notes payable	_____	1,954	1,954	13,991
<b>Total general long-term debt</b>	\$ _____	\$ 1,954	\$ 1,954	\$ 94,785

The accompanying notes are an integral part of this financial statement.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**TOWN OF JONESVILLE, LOUISIANA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2002**

<u>Federal Grant/ Pass-Through Grantor Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass- Through Grantor's Number</u>	<u>Program or Award Amount</u>	<u>Expenditures</u>
<b>US Dept. of Housing &amp; Urban Dev.</b>				
<b><u>Pass-Through State Dept. of Community Dev.</u></b>				
Community Dev. Block-Grant Status Program	14.038	181-0004, 187-000007, 0322879	\$ 1,478,000	\$ 1,478,000
Community Dev. Block-Grant Status Program	14.038	064711	\$ 122,000	\$ 122,000
Total US Dept. of Housing & Urban Dev.				\$ 1,600,000
<b>US Dept. of Transportation/National Highway Safety Administration</b>				
<b><u>Pass-Through State Dept. of Transportation</u></b>				
Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grants	20.001		\$ 1,000	\$ 1,000
Safety Incentive Grants for Use of Seatbelts	20.004		\$ 1,000	\$ 1,000
Total US Dept. of Transportation/National Highway Safety Administration				\$ 2,000
<b>US Dept. of Justice</b>				
<b><u>Pass-Through State/Red River Delta</u></b>				
Police Training Grants	16.002		\$ 600	\$ 600
Total US Dept. of Justice				\$ 600
<b>US Forest Service, Dept. of Agriculture</b>				
<b><u>Pass-Through State Dept. of Agriculture and Forestry</u></b>				
Cooperative Forestry Assistance	10.006		\$ 4,000	\$ 4,000
Total US Forest Service, Dept. of Agriculture				\$ 4,000
Total expenditures of Federal Awards				\$ 136,770

The accompanying notes are an integral part of this financial statement.

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## **INTERNAL CONTROL AND COMPLIANCE REPORTS**



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**REPORT ON COMPLIANCE AND ON  
 INTERNAL CONTROL OVER FINANCIAL  
 REPORTING BASED ON AN AUDIT OF  
 FINANCIAL STATEMENTS PERFORMED  
 IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

**Mayor and Members of the Town Council  
 Town of Jonesville  
 Jonesville, Louisiana**

We have audited the general purpose financial statements of Town of Jonesville, Louisiana, as of and for the year ended June 30, 2002, and have issued our report thereon dated October 24, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether Town of Jonesville, Louisiana's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance that are required to be reported under Government Auditing Standards.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Town of Jeanerille, Louisiana's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect Town of Jeanerille, Louisiana's ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statements. The reportable condition is described in the accompanying schedule of findings and questioned costs as item number 99-1.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we consider the reportable condition described above to be a material weakness.

This report is intended for the information of the management and the Office of the Legislative Auditor, State of Louisiana. However, this report is a matter of public record, and its distribution is not limited.

*Silas M. Simonsen & Company, L.L.P.*

Natchez, Mississippi  
October 24, 2002

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**THOMAS C. BLANCHARD, CPA**

**REPORT ON COMPLIANCE WITH**  
**REQUIREMENTS APPLICABLE TO**  
**EACH MAJOR PROGRAM**  
**AND INTERNAL CONTROL OVER**  
**COMPLIANCE IN ACCORDANCE**  
**WITH OMB CIRCULAR A-111**

**Mayor and Board of Aldermen**  
**Town of Jonesville, Louisiana**

**Compliance**

We have audited the compliance of the Town of Jonesville, Louisiana, with the types of compliance requirements described in the "U. S. Office of Management and Budget (OMB) Circular A-111 Compliance Supplement" that are applicable to each of its major federal programs for the year ended June 30, 2003. The Town of Jonesville, Louisiana's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Town of Jonesville, Louisiana's management. Our responsibility is to express an opinion on the Town of Jonesville, Louisiana's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-111, *Audits of State, Local Governments and Non-Profit Organizations*. These standards and OMB Circular A-111 require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Town of Jonesville, Louisiana's compliance with these requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Town of Jonesville, Louisiana's compliance with these requirements.

In our opinion, the Town of Jonesville, Louisiana, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2003.

### Internal Control Over Compliance

The management of the Town of Jannetville, Louisiana, is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Town of Jannetville, Louisiana's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-119.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that non-compliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the management, others within the organization, the Board of Aldermen and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*William M. Cunningham & Company, L.L.P.*

Natchez, Mississippi  
October 24, 2002

**TOWN OF JONESVILLE, LOUISIANA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2002**

**SECTION 1: SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements:**

- |    |  |             |
|----|--|-------------|
| 1. | Type of auditor's report issued on the general purpose financial statements:             | Unqualified |
| 2. | Material non-compliance relating to the general purpose financial statements?            | No          |
| 3. | Internal control over financial reporting:   |             |
|    | a. Material weakness(es) identified?   | Yes         |
|    | b. Reportable condition(s) identified that are not considered to be material weaknesses? | No          |

**Federal Awards:**

- |     |  |             |
|-----|--|-------------|
| 4.  | Type of auditor's report issued on compliance for major federal programs:  | Unqualified |
| 5.  | Internal control over major programs:  |             |
|     | a. Material weakness(es) identified?   | No          |
|     | b. Reportable condition(s) identified that are not considered to be material weaknesses?   | No          |
| 6.  | Any audit finding(s) reported as required by section __.310(a) of Circular A-133?  | No          |
| 7.  | Federal programs identified as major programs:   |             |
|     | a. Community Development Block Grants<br>State's Program CDA #14.328   |             |
| 8.  | The dollar threshold used to distinguish between Type A and Type B programs:   | \$200,000   |
| 9.  | Auditee qualified as a low-risk auditee?   | No          |
| 10. | Prior fiscal year audit finding(s) and questioned cost relative to federal awards which would require the auditee to prepare a summary schedule of prior audit findings as discussed in Section __.315(b) of OMB Circular A-133? | No          |

**TOWN OF JONESTVILLE, LOUISIANA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED JUNE 30, 2008**

**SECTION 1: FINANCIAL STATEMENT FINDINGS**

**Reportable Conditions Considered to be Material Weaknesses**

**Current Year**

**89-1            Finding**

From our understanding of the Town's internal control structure, we have determined that the small size of the Town and its limited number of personnel do not allow for the adequate segregation of duties among employees. This is a continuing comment from prior years. In the past, we have recommended that the Board continue to insist on accurate monthly financial reports to help offset this problem. This finding continues for the current year.

**Recommendation**

We do not believe that it would be cost effective for the Town to hire the additional staff required to resolve this problem. We believe that the Town has taken steps to offset this problem by approving certain transactions at Board meetings and requiring dual signatures on all checks. The Board has also taken the steps necessary to obtain accurate monthly financial reports, including detailed general ledgers and budget comparisons.

**Corrective Action**

The Town is continuing to implement alternate control procedures.

**Prior Year**

**90-7            Finding**

We found that subsidiary ledgers are not being reconciled to the general ledger. Accounts receivable, other receivables, accounts payable, and customer deposit subsidiary ledgers were not reconciled to general ledger control accounts. Because these ledgers were not being reconciled, all were out of balance with the general ledger control accounts.

**Recommendation**

Subsidiary ledgers should be reconciled to the general ledger by the Town Clerk monthly. Errors, if any, should be corrected at that time.

### Corrective Action

Subsidiary ledgers were reconciled to the General Ledger at June 18, 2002.

10-8

### Finding

In prior audits we have had to make an excessive number of adjusting journal entries to the Utility Fund and to the General Fund. The majority of these entries were to correct posting errors or make reclassifications.

### Recommendation

We recommend that the Town Clerk review the detailed general ledgers monthly. By doing this, errors could be corrected in a timely manner. We also believe that the Town's chart of accounts should be streamlined. There were numerous duplications and similar account classifications that have made posting unduly complex. These accounts were deleted.

### Corrective Action

Management has reduced the number of adjusting journal entries required to an acceptable number.

## **SECTION 8: FEDERAL AWARDS, FINDINGS, AND QUESTIONED COSTS**

The results of our tests did not disclose any findings and questioned costs related to the federal awards.

**SEAN M. SIMMONS & COMPANY, LLP**  
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**208 North Commerce Street**  
**Post Office Box 1007**  
**Natchez, Mississippi 39121-1007**

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**MANAGEMENT REPORT**

**EDWARD L. WELLS, CPA**

**Mayer and Members of the Town Council**  
**Town of Jonesville, Louisiana**

We have audited the general purpose financial statements of the Town of Jonesville, Louisiana, for the year ended June 30, 2002, and have issued our report thereon dated October 24, 2002.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

During the course of our audit, certain matters were detected which required the attention of management. These matters do not have a material effect on the general purpose financial statements. Our findings and recommendations are as follows:

**Prior Year Findings**

**Finding**

During the prior year, we found that the amount of bad debts increased over prior years. We believe this to be a direct result of the Town's liberal extension policy on utility accounts. The amount charged to bad debts during the year was \$45,943.

**Recommendation**

Because this level of bad accounts affects the operations and cash flows of the Town, we recommend that the Board reconsider its current extension policies.

**Corrective Action**

Bad debts were reduced to an acceptable level for the year ended June 30, 2002.



The findings in this report came to our attention as a result of the audit procedures and tests we applied.

This report is intended solely for the use of management and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

*Walter M. Simmons & Company, L.P.*

Natchez, Mississippi  
October 24, 2002



**Mayor**  
**WILLIAM F. "BILLY" EDWARDS**

**Municipal Clerk**  
**ROBERT L. SWAYNE**

# TOWN OF JONESVILLE<sup>19</sup>

Village - December 18, 1903 • Town - October 18, 1912

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**Address**  
Guy Deen  
Stephen R. Stephen  
Justin Bellin  
Lorin Holton  
Troy C. Rasmussen

October 24, 2002

## MANAGEMENT'S CORRECTIVE ACTION PLAN

Office of Legislative Auditor  
State of Louisiana  
Post Office Box 84897  
Baton Rouge, Louisiana 70884-0897

The Town of Jonesville, Louisiana has prepared and hereby submits the following corrective action plan for the findings included in the audit of its general purpose financial statements for the year ended June 30, 2001, as reported by Silas M. Simmons & Company, LLP, in its reports dated October 24, 2002.

### REPORT ON COMPLIANCE AND INTERNAL CONTROL

#### Findings:

Inadequate segregation of duties among employees.

#### Corrective Action Plan:

Management is aware of the problem with segregation of duties and will continue to develop and implement control procedures to offset this inherent problem associated with being a small entity.

The management of the Town of Jonesville, Louisiana believes that the above corrective action plan will help resolve the findings contained with its audited general purpose financial statements for the fiscal year ended June 30, 2002. Should you have any questions or require additional information, please contact us. Thank you for your consideration in these matters.

Sincerely,

Town of Jonesville, Louisiana